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REMARKS

Claims 1-32 were previously pending in this application. Claims 1, 6, 13, 19, 21, 22, 23, 29 and 31 are amended, and claim 30 is canceled without prejudice or disclaimer. As a result, claims 1-29 and 31-32 remain pending for examination, with claims 1, 6, 13, 19, 21, 23, 29 and 31 being independent. No new matter has been added.

Rejections Under 35 U.S.C. §101

Claim 30 is rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter. Specifically, the Office Action contends that because claim 30 recites means for matching to be performed by at least one human operator, a human is an integral part of the system, which purportedly makes claim 30 non-statutory. To advance the prosecution of this application, claim 30 is cancelled without prejudice or disclaimer. As a result, it is respectfully asserted that the rejection under 35 U.S.C. §101 should be withdrawn.

Rejections Under 35 U.S.C. §112

Claim 22 is rejected under 35 U.S.C. §112, second paragraph, for failing to particularly point out and distinctly claim the subject matter regarded as the invention. Specifically, the Office Action contends that the limitation which recites "the initiating" is unclear because there are two preceding acts of initiating. Claim 22 is amended to recite "the initiating of the order" to clarify the preceding act to which the considered limitation refers. As a result, it is respectfully asserted that the rejection of claim 22 under 35 U.S.C. §112, second paragraph, should be withdrawn.

Rejections Under 35 U.S.C. §102(b) over Mital

Claims 1-2, 4-7, 9-10, 12, 19 and 29 are rejected under 35 U.S.C. §102(b) as purportedly being anticipated by U.S. Patent No. 5,903,652 to Mital ("Mital"). Applicants respectfully traverse this rejection.

A. Claims 1-5

Amended claim 1 recites a computer-readable medium having instructions recorded thereon. The instructions, when executed, cause at least one processor in communication with

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the web site to accept a data object from the web site describing an order comprising a first item; record a payment from a user, the payment being received for the first item ordered from the web site and a second item; and transmit notification, upon receipt of the payment, to initiate fulfillment of the order.

The computer-readable medium of claim 1 may support an arrangement wherein a customer selects a first item from a web site and a second item from inventory maintained at a vendor's place of business, and pays the vendor for the first and second items in a single transaction. The customer may gain access to the web site, for example, via a terminal at the vendor's place of business. As a result of this arrangement, the customer may gain flexibility with respect to the method of payment, since most web sites accept only credit card for payment while many vendors allow payment in the store in most forms of legal tender. In addition, the vendor may gain flexibility with regard to inventory management, since products that are expensive to keep in stock may be kept in a more cost-effective location, and the vendor may still be able to offer these products via the web site to customers who visit the store. By providing greater incentive to visit the store, the vendor may also more effectively control the customer's experience.

Mital fails to disclose or suggest the limitations of amended claim 1. For example, Mital fails to disclose or suggest recording a payment from a user for a first item ordered from a web site and a second item, and transmitting a notification upon receipt of the payment to initiate fulfillment of the order comprising the first item.

Mital discloses a system which is limited to facilitating online transactions. Specifically, Mital discloses a secure transaction system for an electronic commerce service which connects multiple consumer computers and multiple merchant computers (Abstract). Mital provides a technique for communication between consumer computers and merchant computers via secure messages sent over a publicly accessible network (col. 3, lines 42-45). When a user selects an item for purchase, an order manager module which executes in the consumer computer creates a secure purchase order message which includes order information, shipping information and payment information (col. 4, lines 16-21). The electronic message is encrypted into a format which can be read only by a merchant (col. 4, lines 35-37). To receive orders from consumers, a merchant must first register to receive secure transactions, and register encryption keys with the system (col. 5, lines 4-7). To receive payment for an order, a merchant decrypts a secure

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message sent by a consumer computer and communicates with an "acquirer" with which the consumer has a pre-existing credit account (col. 5, lines 50-60).

Because the system of Mital is limited to facilitating online transactions, Mital fails to disclose or suggest recording a payment from a user for a first item ordered from a web site and a second item, as recited by claim 1. The system of Mital is not capable of recording payment for a second item not ordered from a web site, such as one which is selected from in-store stock.

In view of the foregoing, it is respectfully asserted that amended claim 1 patentably distinguishes over the prior art of record, such that the rejection of claim 1 under 35 U.S.C. §102(b) as being anticipated by Mital should be withdrawn. Claims 2-5 depend from claim 1 and are allowable for at least the same reasons.

B. Claims 6-12

Amended claim 6 recites a computer-readable medium having instructions recorded thereon. The instructions, when executed, cause a computer in communication with a web site to accept a first data object from the web site describing an order requiring shipment, the order comprising a first item; accept a second data object from a point-of-sale module indicating a payment having been received for a purchase comprising the order, the purchase further comprising a second item; match the first and second objects according to at least one data element common to both objects; and transmit notification that a fulfillment operation is to commence.

As discussed above with reference to claim 1, the system of Mital is limited to facilitating online transactions. As such, Mital fails to disclose or suggest a data object indicating a payment having been received for a purchase comprising a first item ordered from a web site and a second item, as recited by claim 6. As a result, it is respectfully asserted that claim 6 patentably distinguishes over the prior art of record, such that the rejection of claim 6 under 35 U.S.C. \$102(b) as being anticipated by Mital should be withdrawn.

Claims 7, 9-10, and 12 depend from claim 6 and are allowable for at least the same reasons.

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C. Claim 19

As amended, claim 19 recites a method for executing a transaction initiated through a web site. The method comprises accepting a first data object from the web site describing an order requiring shipment, the order comprising a first item; accepting a second data object from a point-of-sale module indicating a payment having been received for a purchase comprising the order, the purchase further comprising a second item; matching the first and second objects according to at least one data element common to both objects; and transmitting notification that order fulfillment is to commence.

As discussed above, Mital fails to disclose or suggest a data object which indicates a payment having been received for a purchase comprising a first item ordered from a web site and a second item. As a result, it is respectfully asserted that claim 19 patentably distinguishes over the prior art of record, such that the rejection of claim 19 under 35 U.S.C. §102(b) as being anticipated by Mital should be withdrawn.

D. Claim 29

Amended claim 29 recites a system for executing a transaction initiated through a web site. The system comprises means for accepting a first data object from the web site describing an order requiring shipment, the order comprising a first item; means for accepting a second data object from a point-of-sale module indicating a payment having been received for a purchase comprising the order, the purchase further comprising a second item; means for matching the first and second objects according to at least one data element common to both objects; and means for transmitting notification that order fulfillment is to commence.

As discussed above, Mital fails to disclose or suggest a data object which indicates a payment having been received for a purchase comprising a first item ordered from a web site and a second item. As a result, it is respectfully asserted that claim 29 patentably distinguishes over the prior art of record, such that the rejection of claim 29 under 35 U.S.C. §102(b) as being anticipated by Mital should be withdrawn.

Rejections Under 35 U.S.C. §102(b) over Alexander

Claims 13-15, 17, 18, 21-25, 27-28 and 31-32 are rejected under 35 U.S.C. §102(b) as being anticipated by a New York Times article entitled "The Kiosk, Where Brick Meets Click,"

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by Brian Alexander ("Alexander"), dated December 13, 2000. Applicants respectfully traverse this rejection.

A. Claims 13-18

Amended claim 13 recites a method for executing a transaction. The method comprises, from a location at a vendor's place of business, a user initiating, from a terminal, an order of a first item by selecting the first item from a web site affiliated with the vendor; the user selecting a second item for purchase; the vendor accepting a payment from the user, at the place of business, for the first and second items; and the vendor initiating shipment of the first item to the customer, from a location separate from the place of business.

Alexander fails to disclose or suggest the limitations of amended claim 13. Alexander discloses an arrangement wherein a kiosk is installed in a vendor's place of business to allow a customer to initiate a purchase from a web site associated with the vendor. Alexander discloses that a kiosk may be configured to provide information on the vendor's products (p. 2, lines 11-15), determine whether a particular product is stocked at the vendor's place of business (p. 2, lines 20-21), and order products not stocked at the vendor's place of business (p. 2, lines 21-22).

However, Alexander fails to disclose or suggest a method for executing a transaction wherein a customer at a vendor's place of business selects a first item from a web site and a second item, such as an item which is selected from inventory at the vendor's place of business. Alexander also fails to disclose or suggest a vendor accepting payment from the customer for the first and second items, and the vendor initiating shipment of the first item to the customer from a location separate from the place of business, as recited in claim 13. As a result, it is respectfully asserted that claim 13 patentably distinguishes over the prior art of record, such that the rejection of claim 13 under 35 U.S.C. §102(b) as being anticipated by Alexander should be withdrawn.

Claims 14-15 and 17-18 depend from claim 13 and are allowable for at least the same reasons.

B. Claims 21-22

Amended claim 21 recites a method for executing a transaction. The method comprises a user initiating, from a terminal located at a vendor's place of business, an order of a first item by selecting the first item from a web site affiliated with the vendor; the user selecting a second item

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for purchase; the vendor accepting payment from the user, at the place of business, for the first and second items; and the vendor initiating shipment of the first item to the customer, from a location separate from the place of business.

As discussed above with reference to claim 13, Alexander fails to disclose or suggest a method for executing a transaction wherein a user initiates, from a terminal located at a vendor's place of business, an order of a first item from a web site affiliated with the vendor and a second item, the vendor accepts payment from the user at the place of business for the first and second items, and the vendor initiates shipment of the first item to the customer from a location separate from the place of business. As a result, it is respectfully asserted that claim 21 patentably distinguishes over the prior art of record, such that the rejection of claim 21 under 35 U.S.C. §102(b) as being anticipated by Alexander should be withdrawn.

Claim 22 depends from claim 21 and is allowable for at least the same reasons.

C. Claims 23-28

Amended claim 23 recites a system for executing a transaction. The system comprises means for a user to initiate from a terminal, from a location at a vendor's place of business, an order of a first item by selecting the first item from a web site affiliated with the vendor; means for the vendor to accept payment from the user, at the place of business, for the first item selected from the web site and a second item; and means for the vendor to initiate shipment of the first item to the customer, from a location separate from the place of business.

As discussed above, Alexander fails to disclose or suggest a transaction wherein a user initiates, from a terminal at a vendor's place of business, an order of a first item from a web site affiliated with the vendor, the user selects a second item, the vendor accepts payment from the user at the place of business for the first and second items, and the vendor initiates shipment of the first item to the user. As a result, it is respectfully asserted that claim 23 patentably distinguishes over the prior of record, such that the rejection of claim 23 under 35 U.S.C. §102(b) as being anticipated by Alexander should be withdrawn.

Claims 24-29 depend from claim 23 and are allowable for at least the same reasons.

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D. Claims 31-32

Amended claim 31 recites a system for executing a transaction. The system comprises means for a user to initiate, from a terminal, an order of a first item by selecting the first item from a web site affiliated with the vendor; means for the vendor to accept payment from the user, at the place of business, for the first item selected from the web site and a second item; and means for the vendor to initiate shipment of the first item to the customer, from a location separate from the place of business.

As discussed above, Alexander fails to disclose or suggest a transaction wherein a user initiates an order of a first item from a web site affiliated with a vendor, the vendor accepts payment from the user for the first item selected from the web site and a second item, and the vendor initiates shipment of the first item to the user. As a result, it is respectfully asserted that claim 31 patentably distinguishes over the prior art of record, such that the rejection of claim 31 under 35 U.S.C. §102(b) as being anticipated by Alexander should be withdrawn.

Claim 32 depends from claim 31 and is allowable for at least the same reasons.

Rejections Under 35 U.S.C. §103(a)

Claims 20 and 30 are rejected under 35 U.S.C. §103(a) as being unpatentable over Mital. Claims 20 and 30 depend from claims 19 and 29, respectively. As discussed above, Mital fails to disclose or suggest the limitations of amended claims 19 and 29. For at least the same reasons as those discussed with reference to claims 19 and 29, Applicants respectfully assert that claims 20 and 30 are patentable over Mital, such that the rejection of claims 20 and 30 under 35 U.S.C. §103(a) as being unpatentable over Mital should be withdrawn.

Claims 3, 8, 11, 16 and 26 are rejected under 35 U.S.C. §103(a) as being unpatentable over Alexander in view of "How Networks Work" by Frank J. Derfler and Les Freed ("Derfler"). Claim 3 depends from claim 1, claims 8 and 11 depend from claim 6, claim 16 depends from claim 13, and claim 26 depends from claim 23. As discussed above, Alexander fails to disclose or suggest the limitations of amended claims 1, 6, 13 and 23. Derfler, which is directed to the use of network firewalls, fails to remedy the deficiencies of Alexander. As a result, for at least the same reasons as those discussed above with reference to claims 1, 6, 13 and 23, Applicants respectfully assert that claims 3, 8, 11, 16 and 26 are patentable over Alexander, such that the

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rejection of claims 3, 8, 11, 16 and 26 under 35 U.S.C. §103(a) as being unpatentable over Alexander should be withdrawn.

CONCLUSION

A Notice of Allowance is respectfully requested. The Examiner is requested to call the undersigned at the telephone number listed below if this communication does not place the case in condition for allowance.

If this response is not considered timely filed and if a request for an extension of time is otherwise absent, Applicant hereby requests any necessary extension of time. If there is a fee occasioned by this response, including an extension fee, that is not covered by an enclosed check, please charge any deficiency to Deposit Account No. 23/2825.

Respectfully submitted, Lesa Satchell et al., Applicants

By:

Randy J. Pritzker, Reg. No. 35,986

Wolf, Greenfield & Sacks, P.C.

600 Atlantic Avenue

Boston, Massachusetts 02210-2206

Telephone: (617) 646-8000

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